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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

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KIKO S.p.A.,			:	
		Opposer,	:	
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	V.		:	Opposition No. 91217033
DOOYEON CORP.,			:	
		Applicant.	:	
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TRIAL BRIEF FOR OPPOSER KIKO S.p.A.

Michael J. Leonard Christopher D. Olszyk, Jr. FOX ROTHSCHILD LLP Attorneys for Opposer Kiko S.p.A.

TABLE OF CONTENTS

			<u>P</u>	<u>age</u>
I.	INTR	ODUC	ΓΙΟΝ	1
II.	DESC	RIPTIC	ON OF THE RECORD	3
III.	STAT	EMEN'	T OF THE ISSUES	4
IV.	STAT	EMEN'	T OF FACTS	5
	A.	Oppos	ser Kiko, S.p.A. and its KIKO Marks	5
	B.	Applio	cant, Dooyeon Corp. and its KICHO and Design Application	7
V.	LEGA	L ARG	GUMENT	8
	A.		ser Has Prior, Valid Trademark Rights in Its Federally Registered Mark	8
	B.		cant's Mark "KICHO and Design" Should be Denied Registration as ng a Likelihood of Confusion	9
		1.	Similarity of Marks – Applicant's Mark is Virtually Identical to Opposer's KIKO Marks	. 10
			a. Opposer's KIKO Marks and Applicant's KICHO and Design Mark Sound Highly Similar	. 11
			b. Opposer's KIKO Mark and Applicant's KICHO and design Mark Appear Highly Similar	. 12
		2.	Similarity of Goods – KIKO and KICHO Cover Identical Goods	. 14
		3.	Similarity of Channels of Trade and Classes of Purchasers Each Weighs in Favor of Opposer	. 16
		4.	Opposer's and Applicant's Goods are Presumed to be Purchased Under Similar Conditions	. 18
		5.	Fame of the Prior Mark – The KIKO Marks are Famous	. 18
		6.	There are No Similar Marks in Use on Similar Goods	. 20
		7.	Actual Confusion is Difficult to Find and is Not Required	. 20
		8.	Opposer Has a Right to Exclude Others From Using Its Mark	. 21

	9.	There is a High Potential for Confusion Between Opposer's and Applicant's Marks	. 21
VI.	CONCLUSIO	N	22

TABLE OF AUTHORITIES

	Page(s)
Cases	
American Lebanese Syrian Associated Charities, Inc. v. Child Health Research	
<u>Institute,</u> 101 U.S.P.Q.2d 1022 (T.T.A.B. 2011)	16
In re Appetito Provisions Co., 3 U.S.P.Q.2d 1553 (T.T.A.B. 1987)	13
Bose Corp. v. QSC Audio Products, Inc., 293 F.3d 1367, 63 U.S.P.Q.2d 1303 (Fed. Cir. 2002)	19
Canadian Imperial Bank of Commerce v. Wells Fargo Bank, N.A., 811 F.2d 1490, 1 U.S.P.Q.2d 1813 (Fed. Cir. 1987)	13
<u>CBS Inc. v. Morrow,</u> 708 F.2d 1569 (Fed. Cir. 1983)	13
Ceccato v. Manifattura Lane, 32 U.S.P.Q.2d 1192 (T.T.A.B. 1994)	16
Central Garden & Pet Company v. Doskocil Manufacturing Company, 108 U.S.P.Q.2d 1134, 2013 WL 4635990 (T.T.A.B. 2013)	8, 9
Century 21 Real Estate Corp. v. Century Life of Am., 970 F.2d 874, 23 U.S.P.Q.2d 1698 (Fed. Cir. 1992)	11, 13, 15, 16
In re Dakin's Miniature, Inc., 59 U.S.P.Q.2d 1593 (T.T.A.B. 1999)	14
<u>In re E.I. DuPont DeNemours & Co.</u> , 476 F.2d 1357 (C.C.P.A. 1973)	9, 10, 15
Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 U.S.P.Q. 24 (C.C.P.A. 1976)	10
Herbko Int'l Inc. v. Kappa Books, Inc., 308 F.3d 1156, 64 U.S.P.Q.2d 1375 (Fed. Cir. 2002)	10
<u>In re Hamilton Bank,</u> 222 U.S.P.Q. 174, 179 (T.T.A.B. 1984)	14
In re Hughes Furniture Industries, Inc., 114 U.S.P.Q.2d 1134 (T.T.A.B. 2015)	16, 19

181 U.SP.Q. 664, 666 (T.T.A.B. 1974)	16
Interlego AG v. Abrams/Gentile Entertainment, Inc., 63 U.S.P.Q. 1862, 2002 WL 31039614 (T.T.A.B. 2002)	11, 13
<u>King Candy Co. v. Eunice King's Kitchen, Inc.,</u> 496 F.2d 1400, 182 U.S.P.Q. 108 (C.C.P.A. 1974)	9
L.C. Licensing, Inc. v. Cary Berman, 86 U.S.P.Q.2d 1883, 2008 WL 835278 (T.T.A.B. 2008)	13
<u>L'Oreal S.A. v. Marcon,</u> 102 U.S.P.Q.2d 1434, 2012 WL 1267956	9, 18
La Societe Anonyme des Parfums le Galion v. Jean Patou, Inc., 495 F.2d 1265, 181 U.S.P.Q. 545 (2d Cir. 1974)	22
In re Martin's Famous Pastry Shoppe, Inc., 748 F.2d 1565, 223 U.S.P.Q. 1289 (Fed. Cir. 1984)	19
Massey Junior Coll., Inc. v. Fashion Inst. of Tech., 492 F.2d 1399, 181 U.S.P.Q. 272 (C.C.P.A. 1974)	9
Octocom Systems, Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 U.S.P.Q.2d 1783 (Fed. Cir. 1990)	18
Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 U.S.P.Q.2d 1689 (Fed. Cir. 2005)	10, 21
<u>Paula Payne Prods. Co. v. Johnson Publ'g Co.,</u> 473 F.2d 901, 177 U.S.P.Q. 76 (C.C.P.A. 1973)	11
Presto Products Inc. v. Nice-Pak Products, Inc., 9 U.S.P.Q.2d 1895 (T.T.A.B. 1988)	13
Recot, Inc. v. M. C. Becton, 214 F.3d 1322, 54 U.S.P.Q.2d 1894 (Fed. Cir. 2000)	17, 19
San Fernando Elec. Mfg. Co. v. JFD Elecs. Components Corp., 565 F.2d 683, 196 U.S.P.Q. 1 (C.C.P.A. 1977)	11
Sealed Air Corp. v. Scott Paper Co., 190 U.S.P.Q. 106 (T.T.A.B 1975)	11
Specialty Brands, Inc. v. Coffee Bean Distribs., Inc., 748 F.2d 669, 223 U.S.P.Q 1281 (Fed. Cir. 1984)	19

Spoons Rests. Inc. v. Morrison Inc.,	
23 U.S.P.Q.2d 1735 (T.T.A.B. 1991), <u>aff'd</u> , No. 92-1086 (Fed. Cir. June 5, 1992)	11
Time Warner Enter. Co., LP v. Jones,	21
65 U.S.P.Q.2d 1650, 2002 WL 1628168 (T.T.A.B. 2002)	21
In re Vittera, Inc.,	
671 F.3d 1358, 101 U.S.P.Q.2d 1905 (Fed. Cir. 2012)	11, 13, 18
Weider Pubs., LLC v. D & D Beauty Care Co., LLC,	
109 U.S.P.Q.2d 1347, 2014 WL 343269 (T.T.A.B. 2014)	20
Weiss Assocs. Inc. v. HRL Assocs. Inc.,	
902 F.2d 1546, 14 U.S.P.Q.2d 1840 (Fed. Cir. 1990)	13
Statutes	
15 U.S.C. § 1051(b)(1)	8
15 U.S.C. § 1057(c)	8
15 H.C.C. 8 1136(D 8 1141	0
15 U.S.C. § 1126(d) or § 1141g	8
Section 2(d) of the Lanham Act.	2, 9, 23
Section 44(e) of the Lanham Act	8
Section 1(b) of the Lanham Act.	8
Other Authorities	
37 C.F.R. §§ 2.120(j), 2.122(d) and 2.122(e)	3
37 CFR § 2.123(b)	3
2 McCarthy on Trademarks and Unfair Competition § 11:88	
2 integrating on Tragemarks and Oman Competition § 11.00	21
Trademark Manual of Examining Procedure §201.01	8
Trademark Manual of Examining Procedure § 201.02	8

I. <u>INTRODUCTION</u>

Opposer Kiko, S.p.A. ("Opposer" or "Kiko"), is an Italian-based company with over 700 stores in many European countries – and now the United States. Since its founding, the KIKO brand has generated a reputation for fine quality goods and services in the cosmetics and skin care industry. That reputation, born in Europe, today extends to the United States after Kiko's founder, Stefano Percassi, discovered that Kiko's products were popular among American tourists in Europe and brought the brand to the States. To that effect, Kiko is currently the owner of multiple trademark registrations for its KIKO and KIKO-formative marks in the United States, dating back to 2009, and covering goods and services, including but not limited to makeup, cosmetics, skincare products, perfumes and haircare products; spectacles and jewelry; and retail store services related thereto.

Today, Kiko owns and operates multiple KIKO-branded stores on the east and west coasts of the United States, with significant sales totaling over \$2 million in 2014 alone.

As the owner of a prominent international brand, Kiko engages in a constant struggle to police its brand from infringement and appropriation by third parties of brands likely to both cause confusion and/or erode away the distinctive quality of the KIKO brand. Understandably, Kiko wishes to protect its brand to the fullest extent due to its popularity, reputation, sales, and advertising expenditures in the United States. Since 2014, Kiko has sent dozens of demand letters, and on at least five (5) occasions, has filed Oppositions against competitors adopting trademarks likely to cause confusion as to the source of its goods in the minds of the consuming public.

Applicant, Dooyeon Corp. ("Applicant" or "Dooyeon") is one such competitor, and the owner of an application for trademark protection of the KICHO and design mark that is the subject of the instant Opposition. The KICHO and design mark is highly similar to the KIKO

trademark in sight, sound, meaning, and commercial impression. Moreover, the Application for the mark KICHO and design seeks trademark protection for cosmetics and skin care products, which are identical to the goods covered by Opposer's KIKO marks, registered in the U.S. since 2009 and currently in use in United States commerce. Because these most prominent factors (and others) all weigh heavily in Kiko's favor, a likelihood of confusion with Opposer's KIKO mark has been established.

As set forth below, Kiko has presented compelling evidence of a likelihood of confusion, thus, permitting this Honorable Board to refuse registration of Application Serial No. 86/053,930 for the mark KICHO and design, under Section 2(d) of the Lanham Act and thereby sustain Kiko, S.p.A.'s Notice of Opposition.

II. <u>DESCRIPTION OF THE RECORD</u>

Opposer relies upon the following materials:

- 1. Opposer's Notice of Reliance filed on October 28, 2015 pursuant to 37 C.F.R. §§ 2.120(j), 2.122(d) and 2.122(e).
 - a. Certified Status and Title Copies of the following United States
 Trademark Registrations:
 - i. Registration No. 4,690,585 for KIKO MAKE UP MILANO.
 - ii. Registration No. 3,650,052 for KIKO.
 - iii. Registration No. 3,689,438 for KIKO.
 - iv. Registration No. 4,065,381 for KIKO.
 - b. Applicant's Answers to Opposer's Interrogatories: Answer Nos. 1,4, 6, 9, 15-17, 22, 24-25, 27-28, and 30.
 - c. Affidavit of Opposer's Managing Director Stefano Percassi, dated October 27, 2015, and accompanying Exhibits A-H, submitted pursuant to Board Order of September 29, 2015, permitting, per Trademark Rule 37 CFR § 2.123(b), that the testimony of all witnesses be in the form of an affidavit.
 - 2. Applicant's Notice of Reliance dated December 27, 2015.

III. STATEMENT OF THE ISSUES

The issue for the Board's resolution in this matter is whether there is a likelihood of confusion between Opposer's registered KIKO marks which are the subject of U.S. Reg. Nos. 4,690,585; 3,650,052; 3,689,438; and 4,065,381 (the "KIKO Marks"), covering *inter alia*, cosmetics, skin care products and other beauty products, and Applicant's mark, "KICHO and design", subject of Application Serial No. 86/053,930 and covering skin care products and various cosmetic products.

IV. STATEMENT OF FACTS

A. Opposer Kiko, S.p.A. and its KIKO Marks

Kiko is a premier Italian-based company offering cosmetics, professional make-up, and cutting-edge face and body treatments. Opposer's Notice of Reliance, Exhibit III, Affidavit of Stefano Percassi, ¶¶ 5-6 (hereinafter in this section, "Percassi Aff.") Kiko was founded in 1997 by the Percassi Group and maintains its corporate offices in Bergamo, Italy. Percassi Aff., ¶¶ 5-6. Kiko currently has more than 700 KIKO MILANO-branded retail stores located in Italy, Germany, France, Portugal, Spain, the United Kingdom, Austria, Switzerland, the Netherlands, Belgium, Poland, and the United States. Percassi Aff, ¶¶5-6.

Since its founding, Opposer has adopted the "KIKO" brand – an arbitrary term with no intended meaning behind it – as a trademark in connection with cosmetics, skin care products, and other beauty-related products. Percassi Aff., ¶ 6-7. The KIKO Marks have been used continuously on products offered in United States via online websites since as early as 2010. Percassi Aff., ¶ 6. The first KIKO-branded retail store opened in the United States on March 20, 2014, and Kiko has since opened 17 additional stores located in the states of New York, New Jersey, Connecticut, Rhode Island, Virginia, Maryland, Nevada, Florida and California. Percassi Aff., ¶ 6. KIKO-branded products are advertised, marketed, and sold as affordable Europeandesigned and produced products for every consumer; without a particular targeted consumer. Percassi Aff., ¶ 9.

Kiko sells its KIKO-branded goods in the United States through its website, http://www.kikocosmetics.com/en-us, as well as in it KIKO-branded retail stores in the aforementioned states. Percassi Aff., ¶ 10. It markets, advertises, and promotes its goods through its website as well as social media such as Facebook, Instagram, Twitter, and YouTube. Percassi Aff., ¶ 11. Kiko has generated substantial goodwill as a result of its marketing efforts

(over 470,000 Instagram followers and 9,700,000 YouTube video views as of October 2015), and this goodwill has translated into an excess of \$2 million in United States sales in 2014 alone. Percassi Aff., ¶¶ 10-11. Kiko sold over 250,000 units of KIKO-branded products in the United States in 2014, a fact helping to contribute to the wide recognition of the KIKO Marks in the cosmetic, skin care and fashion industries as a source of high quality and affordable cosmetics, skin care, and related products. Percassi Aff., ¶¶ 10, 12.

Kiko is the registrant and present owner of the following United States Trademarks for the mark KIKO:

- o No. 3,650,052 for the mark KIKO covering makeup for women;
- No. 3,689,438 for the mark KIKO covering perfumes, toilet soaps, cosmetics, namely deodorants for personal use; creams, lotions and oils for the face and body; skin cleansing milks, creams and oils; make-up creams; beauty masks; make-up removers; eye shadows; lipsticks; mascara, rouge; crayons for the eyes and lips; face and body powders; sun tanning and after sun exposure creams, oils and lotions; pre and after shave lotions; talcum powders, bath salts, bath foam, bath oil; hair shampoo, hair lotions; depilatory preparations; nail enamels and polishes;
- No. 4,065,381 for the mark KIKO covering Spectacles, cases and chains for spectacles, frames for spectacles, optical lenses; and Jewelry and costume jewelry, namely rings, bracelets, necklaces, tie-bars, scarf rings, pendants, ear clips, tie clips, cufflinks, earrings, key holders made of precious metals, brooches, pins being jewelry; clocks, watches, chronographs for use as watches, chronometers

The KIKO Marks are each of Record as submitted with Opposer's October 28, 2015 Notice of Reliance. The KIKO Marks collectively cover goods that can be described as make-up for women, perfumes, cosmetics, creams, lipsticks, lotions, mascara, and jewelry. Percassi Aff., ¶¶ 13-15.

B. Applicant, Dooyeon Corp. and its KICHO and Design Application

On September 3, 2013, Dooyeon filed Application Serial No. 86/053,930 seeking registration of the mark KICHO and design. The dominant portion of the applied-for KICHO and design mark, the KICHO wording, can and will be pronounced in English in a manner wherein the "CH" letters are pronounced to sound like a "K" – and thus may appear both phonetically identical and visibly nearly identical to Opposer's KIKO Marks. Percassi Aff., ¶ 20 and Opposer's Notice of Reliance, Exhibit IV, page 5, Dictionary Pronunciation Guide excerpted from Merriam-Webster Online Dictionary showing that the "K" sound can be produced by use of the "CH" letter combination.

Application Serial No. 86/053,930 covers goods described as "Eyebrow pencils; Lip liner; Mascara; Make-up foundations; Hair colorants; Cosmetic preparations for bath and shower; Body lotions; Bath lotion; Shower gels; Skin lotions; Eyeliner; Eye cream; Face and body lotions; Perfumes; Hair gel; Hair spray; Make-up powder; Make-up removing lotions" (the "Dooyeon Goods"). These goods are identical to those covered by Opposer's Registrations for the KIKO Marks. Percassi Aff., ¶ 19.

V. <u>LEGAL ARGUMENT</u>

A. Opposer Has Prior, Valid Trademark Rights in Its Federally Registered KIKO Marks

The filing date of any trademark application claiming a Section 1(b) intent-to-use basis or Section 44(e) foreign registration basis constitutes the constructive date of first use of the mark provided the application matures into a registration. The application's filing date affords an applicant nationwide priority over others except (1) a party who used the mark at common law before the applicant's filing date; (2) an owner of an application that is pending or has resulted in registration that was filed in the USPTO prior to the applicant's filing date; or (3) a party who is entitled to an earlier priority filing date based on the filing of a foreign application under 15 U.S.C. § 1126(d) or § 1141(g). 15 U.S.C. § 1057(c); Trademark Manual of Examining Procedure ("TMEP") § 201.02; see also Central Garden & Pet Company v. Doskocil Manufacturing Company, 108 U.S.P.Q.2d 1134, 2013 WL 4635990, *6-7 (T.T.A.B. 2013). Accordingly, for purposes of priority, the filing date of Applicant's application for the KICHO and design mark, namely September 23, 2013, controls. TMEP §201.01.

Opposer filed its first U.S. Application for the mark "KIKO" on June 1, 2005 under Section 1(b) of the Trademark Act of 1946, as amended ("Lanham Act"), 15 U.S.C. § 1051(b)(1). Opposer subsequently perfected those rights and secured federal registration on September 29, 2009 for the mark KIKO, Registration No. 3,689,438. *See* Opposer's Notice of Reliance, Exhibit I, Certified Status and Title Copies of Certificates and Registration. A combined Declaration of Continued Use and Incontestability was filed on July 14, 2015 and later accepted on August 10, 2015. This Registration is therefore incontestable. Opposer's second U.S. Application for the mark "KIKO" was filed on April 23, 2008 under Section 44(e) of the Lanham Act, and became registered on April 21, 2009, under Registration No. 3,650,052. *See*

Opposer's Notice of Reliance, Exhibit I, Certified Status and Title Copies of Certificates and Registration. A combined Declaration of Continued Use and Incontestability was filed on June 23, 2015 and accepted on July 21, 2015. This Registration is therefore also incontestable.

Opposer also owns Registration No. 4,065,381 for KIKO and Registration No. 4,690,585 for KIKO MAKE UP MILANO. Both of the foregoing Registrations bear filing dates prior to Applicant's September 3, 2013 filing date of the KICHO and design application.

Because Opposer has properly made of record its pleaded registrations, Section 2(d) priority is not an issue in this case as to the marks and the goods covered by the pleaded registrations. L'Oreal S.A. v. Marcon, 102 U.S.P.Q.2d 1434, 2012 WL 1267956 at n.7; King Candy Co. v. Eunice King's Kitchen, Inc., 496 F.2d 1400, 182 U.S.P.Q. 108, 110 (C.C.P.A. 1974). None of the exceptions noted above apply to the application at issue and therefore each of Opposer's registrations and evidence of prior use control for purposes of priority. Opposer, thus, has met its burden of proving its prior rights in the KIKO Marks as "prior use need not be shown by a plaintiff relying on a registered mark unless the defendant counterclaims for cancellation[.]" Central Garden, 108 U.S.P.Q.2d 1134, 2013 WL 4635990 at *5 (quoting Massey Junior Coll., Inc. v. Fashion Inst. of Tech., 492 F.2d 1399, 181 U.S.P.Q. 272, 275 n.6 (C.C.P.A. 1974)).

Accordingly, Opposer holds valid, prior rights in its KIKO Marks.

B. Applicant's Mark "KICHO and Design" Should be Denied Registration as Creating a Likelihood of Confusion

The central issue in this opposition is whether a likelihood of confusion would arise from the registration of the mark KICHO and design. The Trademark Trial and Appeal Board applies the following relevant factors, as originally set forth in <u>In re E.I. DuPont DeNemours & Co.</u>, 476

F.2d 1357 (C.C.P.A. 1973), to determine whether a likelihood of confusion under Section 2(d) may result from the registration of the applied-for mark:

- 1. The fame of the prior mark;
- 2. The similarity of the marks;
- 3. The similarity of established, likely-to-continue trade channels;
- 4. The similarity and nature of the goods and services;
- 5. The conditions under which and buyers to whom sales are made;
- 6. The number and nature of similar marks in use on similar goods;
- 7. Evidence of actual confusion; and
- 8. The extent of potential confusion.

Opposer addresses and analyzes the relevant <u>DuPont</u> factors as follows.

1. Similarity of Marks – Applicant's Mark is Virtually Identical to Opposer's KIKO Marks

The two key considerations in any likelihood of confusion analysis are the similarities between the marks and the similarities between the goods and/or services. Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 U.S.P.Q. 24, 29 (C.C.P.A. 1976). The most critical of the du Pont factors is the similarity of the marks. Palm Bay Imports, Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 U.S.P.Q.2d 1689, 1692 (Fed. Cir. 2005).

The similarity or dissimilarity of the respective marks is determined by comparing them as to appearance, sound, connotation and commercial impression. Herbko Int'l Inc. v. Kappa Books, Inc., 308 F.3d 1156, 64 U.S.P.Q.2d 1375, 1380 (Fed. Cir. 2002). In analyzing the similarity or dissimilarity of the marks, the test is not whether the marks can be distinguished when subjected to a side-by-side comparison, but rather whether the marks are sufficiently similar in terms of overall commercial impression so that confusion as to the source of the goods

and/or services offered under the respective marks is likely to result. San Fernando Elec. Mfg. Co. v. JFD Elecs. Components Corp., 565 F.2d 683, 196 U.S.P.Q. 1, 3 (C.C.P.A. 1977); Spoons Rests. Inc. v. Morrison Inc., 23 U.S.P.Q.2d 1735, 1741 (T.T.A.B. 1991), aff'd, No. 92-1086 (Fed. Cir. June 5, 1992).

In making this assessment, the fact finder must consider the recollection of the average purchaser who normally retains only a general, rather than a specific, impression of the respective marks. Sealed Air Corp. v. Scott Paper Co., 190 U.S.P.Q. 106, 108 (T.T.A.B 1975). The issue in a likelihood of confusion determination is not whether people will confuse the marks but whether the marks will confuse people. Paula Payne Prods. Co. v. Johnson Publ'g Co., 473 F.2d 901, 177 U.S.P.Q. 76, 77 (C.C.P.A. 1973).

Here, Opposer's KIKO Mark and Applicant's KICHO and design Mark are virtually identical in sight and sound – KIKO v. KICHO and design. Moreover, because it will be shown that Applicant's and Opposer's goods are identical, "the degree of similarity necessary to support a conclusion of likely confusion declines." Century 21 Real Estate Corp. v. Century Life of Am., 970 F.2d 874, 877, 23 U.S.P.Q.2d 1698 (Fed. Cir. 1992).

a. Opposer's KIKO Marks and Applicant's KICHO and Design Mark Sound Highly Similar

"[T]here is no correct pronunciation of a trademark, and consumers may pronounce a mark differently than intended by the brand owner." In re Vittera, Inc., 671 F.3d 1358, 1367, 101 U.S.P.Q.2d 1905 (Fed. Cir. 2012) (holding that "XCEED" and "X-Seed" were confusingly similar in sound despite applicant's argument for emphasizing different syllables) (citing Interlego AG v. Abrams/Gentile Entertainment, Inc., 63 U.S.P.Q. 1862, 1863, 2002 WL 31039614, at *2 (T.T.A.B. 2002) (finding similarity between "LEGO" and "MEGO" despite applicant's argument that consumers would pronounce MEGO as "me go")).

In this matter, the wording KIKO and KICHO sound highly similar. Both words may be pronounced with a "key" sound for the letters "KI" found at the beginning of each mark, and an "oh" sound for the "O" found at the end of the respective marks. Although Applicant will argue that "K" and "CH" are pronounced differently, such a position belies commonly understood pronunciations of the letters "CH". For example, the Wikipedia pronunciation for "CH" – upon which Applicant cites in its Notice of Reliance – states that "CH" "can also be pronounced as [k], as in *ache*, *choir*, and *stomach*." The definition also mentions other words with a common "CH" pronounced as "K", such as *mechanics*, *chemistry* and *chiral*. Applicant's Notice of Reliance, Exhibit 7, Wikipedia digraph entry for "ch". See also Opposer's Notice of Reliance, Exhibit IV, page 5, Dictionary Pronunciation Guide excerpted from Merriam-Webster Online Dictionary showing that the "K" sound can be produced by the "CH" letter combination.

Thus, since the letters "CH" are also commonly pronounced as sounding like a "K", the words KIKO and KICHO should be considered to be phonetically identical. Therefore, this factor should weigh heavily for Opposer given that consumers often pronounce a mark differently than how the owner intended (or would like the Board to believe the mark is pronounced). As a result, this factor strongly favors Opposer.

b. Opposer's KIKO Marks and Applicant's KICHO and Design Mark Appear Highly Similar

The first two letters and the last letter in each of the respective KIKO and KICHO (and design) marks are identical, and thus differ only by the replacement of a K with a CH in the Applicant's mark. Marks may be confusingly similar in appearance despite the addition, deletion, or substitution of letters or words. See, e.g., Presto Products Inc. v. Nice-Pak Products, Inc., 9 U.S.P.Q.2d 1895, 1897 (T.T.A.B. 1988) ("it is often the first part of a mark which is most likely to be impressed upon the mind of a purchaser and remembered"); Weiss Assocs. Inc. v.

HRL Assocs. Inc., 902 F.2d 1546, 14 U.S.P.Q.2d 1840 (Fed. Cir. 1990) (finding TMM confusingly similar to TMS); Canadian Imperial Bank of Commerce v. Wells Fargo Bank, N.A., 811 F.2d 1490, 1 U.S.P.Q.2d 1813 (Fed. Cir. 1987) (affirming Board's holding that source confusion is likely where COMMCASH and COMMUNICASH are used in connection with identical banking services). While there is only a slight difference of two letters (here "CH" for "K") in the visible appearances of the words, because the goods are identical, these minor distinctions in appearance are far less significant. See Century 21 Real Estate Corp., 970 F.2d at 877, 23 U.S.P.Q.2d 1698, see also Interlego AG, 63 U.S.P.Q. at 1863, 2002 WL at *2 (finding "LEGO" and "MEGO" marks were "extremely similar in that they differ[ed] simply by one letter" whereby even "many adults would not notice this very minor difference in the two marks.").

In addition, while Applicant's KICHO and design Mark also includes a design element, "[i]n the case of a composite mark containing both words and a design, 'the verbal portion of the mark is the one most likely to indicate the origin of the goods to which it is affixed.'" In re

Vittera, Inc., 671 F.3d at 1362, 101 U.S.P.Q.2d 1905 quoting CBS Inc. v. Morrow, 708 F.2d

1569, 1581-82 (Fed. Cir. 1983); L.C. Licensing, Inc. v. Cary Berman, 86 U.S.P.Q.2d 1883, 1887, 2008 WL 835278, at *3 (T.T.A.B. 2008) ("[I]t is well settled that if a mark comprises both a word and a design, then the word is normally accorded greater weight because it would be used by purchasers to request the goods.")).

This is not the case where the word elements of the respective marks may be descriptive or highly suggestive and thus, the presence of a design element may be given more weight. See In re Hamilton Bank, 222 USPQ 174,179 (TTAB 1984). Here, the KIKO mark is a strong and arbitrary term. Likewise, the KICHO portion of Applicant's mark does not appear to be such a

weak term that would lead consumers to be drawn to the design element, which consists of a random grouping of symbols that neither convey nor connote any known word or other meaning to the potential purchaser. Thus, as the word portion of Applicant's composite mark is much more likely to resonate with consumers, the Board should place greater weight in the actual words KIKO v. KICHO apart from any design elements especially since purchasers will use these words to order the goods via use of the internet or orally. Accordingly, the KICHO word portion of the mark should be accorded greater weight in determining the likelihood of confusion. See In re Dakin's Miniature, Inc., 59 U.S.P.Q.2d 1593, 1596 (T.T.A.B. 1999); In re Appetito Provisions Co., 3 U.S.P.Q.2d 1553 (T.T.A.B. 1987).

Based on the foregoing, since the marks are highly similar in both sight and sound, this factor strongly favors Opposer.

2. Similarity of Goods – KIKO and KICHO Cover Identical Goods

If the goods in question are identical, "the degree of similarity necessary to support a conclusion of likely confusion declines." <u>Century 21 Real Estate Corp.</u>, 970 F.2d at 877, 23 U.S.P.Q.2d 1698.

Both Applicant's and Opposer's marks cover identical goods in the fields of skin care and cosmetics. The chart below provides a comparison of the goods appearing in the subject KICHO and design Application to the relevant goods covered by the Registrations for the multiple KIKO Marks.

KICHO and Design	<u>KIKO</u>
Eyebrow pencils;	crayons for the eyes and lips (Reg. No. 3,689,438); makeup for women (Reg. No. 3,650,052)
Lip liner	lipsticks (Reg. No. 3,689,438); makeup for women (Reg. No. 3,650,052)

Mascara;	mascara, rouge; crayons for the eyes and lips (Reg. No. 3,689,438); makeup for women (Reg. No. 3,650,052)
Make-up foundations;	makeup for women (Reg. No. 3,650,052)
Body lotions; Skin lotions; Face and body lotions; Make-up removing lotions	creams, lotions and oils for the face and body; skin cleansing milks, creams and oils; make-up removers (Reg. No. 3,689,438)
Cosmetic preparations for bath and shower; Shower gels; Bath lotion;	talcum powders, bath salts, bath foam, bath oil (Reg. No. 3,689,438)
Eyeliner;	eye shadows; mascara, rouge; crayons for the eyes and lips (Reg. No. 3,689,438); makeup for women (Reg. No. 3,650,052)
Eye cream;	make-up creams; (Reg. No. 3,689,438); makeup for women (Reg. No. 3,650,052)
Perfumes;	Perfumes (Reg. No. 3,689,438)
Hair gel; Hair spray; Hair colorants;	hair shampoo, hair lotions (Reg. No. 3,689,438)
Make-up powder;	makeup for women (Reg. No. 3,650,052)
	toilet soaps, cosmetics, namely deodorants for personal use; beauty masks; face and body powders; sun tanning and after sun exposure creams, oils and lotions; pre and after shave lotions; depilatory preparations; nail enamels and polishes (Reg. No. 3,689,438)

See Opposer's Notice of Reliance, Exhibit I, Certified Status and Title Copies of Certificates and Registration (KIKO Marks Registrations); Trademark/Service Mark Application, Principal Register, Serial Number: 86/053,930, Filing Date: 09/03/2013 (KICHO and design Application).

As can be seen from the above chart, the goods covered by the respective marks are not just similar; they are identical. It is well settled that, where the goods are identical, typically less similarity is needed to create a likelihood of confusion. <u>In re Hughes Furniture Industries, Inc.</u>, 114 U.S.P.Q.2d 1134 (T.T.A.B. 2015) (citing <u>In re Viterra</u>, 101 U.S.P.Q.2d at 1908; <u>Century 21 Real Estate Corp.</u>, 970 F.2d 874, 23 U.S.P.Q.2d at 1700 ("When marks would appear on

virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines.")).

Because the goods at issue are identical in nature, the degree of similarity required for the Board to find a likelihood of confusion in this matter declines, and thus, the relevant <u>DuPont</u> factor weighs strongly in favor of Opposer.

3. Similarity of Channels of Trade and Classes of Purchasers Each Weigh in Favor of Opposer

Where the goods at issue are identical, goods may be presumed to travel in the same channels of trade. See Ceccato v. Manifattura Lane, 32 U.S.P.Q.2d 1192, 1197 (T.T.A.B. 1994) (citing Interco Inc. v. Acme Boot Co., 181 U.SP.Q. 664, 666 (T.T.A.B. 1974)); American Lebanese Syrian Associated Charities, Inc. v. Child Health Research Institute, 101 U.S.P.Q.2d 1022, 1028 (T.T.A.B. 2011); see also In re Viterra, Inc., 671 F.3d 1358, 101 U.S. P.Q.2d at 1908 (holding that the Board was entitled to rely on a presumption that identical goods will travel in the same channels of trade despite the lack of evidence regarding channels of trade).

Despite Applicant's assertion that its goods are marketed or sold to a "sophisticated" consumer (See Applicant's Notice of Reliance, Exhibit 2, Affidavit of Charles Kim, ¶12), Applicant has recited identical and substantially identical goods to Opposer's goods in Applicant's U.S. Trademark Application. Trademark/Service Mark Application, Principal Register, Serial Number: 86/053,930, Filing Date: 09/03/2013. Both Kiko and Dooyeon advertise products bearing the marks at issue through the same channels of trade via online platforms. Kiko sells its KIKO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-branded goods through its website http://www.kikocosmetics.com, and Dooyeon sells its KICHO-bran

¶9, n. 2. The almost identical wording in the domain names hosting the respective websites illustrates the relative simplicity for finding confusion and/or opportunity for confusion in the marketplace. Furthermore, Kiko and Dooyeon both utilize print advertisements and social media such as Facebook, Twitter, YouTube and Instagram. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶11; Applicant's Notice of Reliance, Exhibit 2, Affidavit of Charles Kim, ¶14. If no limitation is provided as to the channels of trade and classes of purchasers in the specification of goods and services, all normal and usual channels of trade and methods of distribution should be considered. See L'Oreal S.A., 102 U.S.P.Q.2d 1434, 2012 WL at *8; see Octocom Systems, Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 U.S.P.Q.2d 1783, 1787 (Fed. Cir. 1990) ("The authority is legion that the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods, the particular channels of trade or the class of purchasers to which the sales of goods are directed.").

As the goods of the marks at issue have been shown to be identical and there exists no limitation in the record as to channels of trade and classes of purchasers (for either Applicant's or Opposer's respective Marks), the Board must also presume all normal and usual channels and methods of trade and distribution are applicable. Accordingly, based on both the facts presented and the presumptions to be made as to identical channels of trade and classes of customers afforded to the marks of the subject Registrations/Application, this factor weighs strongly in favor of Opposer.

4. Opposer's and Applicant's Goods are Presumed to be Purchased Under Similar Conditions

If the goods descriptions in the trademark applications include no limitation, the Board must assume that both parties' goods may include both expensive and inexpensive items. See In re Hughes Furniture Industries, Inc., 114 USPQ2d 1134, 1137 (TTAB 2015) ("because neither Applicant nor Registrant has limited its products to any particular style, type of consumer, or price point, we must assume that both identifications include "residential and commercial furniture" of all types, styles, and price levels offered to the full range of usual consumers for such goods"). "When the products are relatively low-priced and subject to impulse buying, the risk of likelihood of confusion is increased because purchasers of such products are held to a lesser standard of purchasing care." Recot, Inc. v. M. C. Becton, 214 F.3d 1322, 1329, 54 U.S.P.Q.2d 1894, 1899 (Fed. Cir. 2000); see also Specialty Brands, Inc. v. Coffee Bean Distribs., Inc., 748 F.2d 669, 672, 223 U.S.P.Q 1281, 1282 (Fed. Cir. 1984); In re Martin's Famous Pastry Shoppe, Inc., 748 F.2d 1565, 1567, 223 U.S.P.Q. 1289, 1290 (Fed. Cir. 1984).

Here, no limitation on price or quality is placed on either party's identifications of goods, and thus the Kiko and Dooyeon products are presumed to be offered for sale and sold under similar purchasing decisions. Accordingly, as there is no evidence to discount the presumption that the KIKO and KICHO and design products are relatively inexpensive and could be purchased by the same impulse buyers, this factor must be found to weighs in favor of Opposer.

5. Fame of the Prior Mark – The KIKO Marks are Famous

A prior mark's fame plays a dominant role in likelihood of confusion cases featuring a famous mark. See Bose Corp. v. QSC Audio Products, Inc., 293 F.3d 1367, 63 U.S.P.Q.2d 1303, 1305 (Fed. Cir. 2002); Recot, Inc., 214 F.3d 1322, 54 U.S.P.Q.2d at 1897 (Fed. Cir. 2000). Fame for likelihood of confusion purposes may be measured indirectly by the volume of sales

and advertising expenditures of the goods sold under the mark, for example, and other factors such as length of time of use of the mark; widespread critical assessments; notice by independent sources of the products identified by the marks; and the general reputation of the products and services. Weider Pubs., LLC v. D & D Beauty Care Co., LLC, 109 U.S.P.Q.2d 1347, 2014 WL 343269, at *6 (T.T.A.B. 2014).

The record shows that Opposer maintains over 700 KIKO-MILANO-branded stores in Italy, Germany, France, Portugal, Spain, the United Kingdom, Austria, Switzerland, the Netherlands, Belgium, Poland, and the United States. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶5. The KIKO mark has been continuously used on products offered in the United States via online platforms since at least as early as 2010. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶6. Kiko opened its first KIKO-branded store in the United States on March 20, 2014, and has since opened 17 additional stores throughout the United States in New York, New Jersey, Connecticut, Rhode Island, Maryland, Nevada, Florida, and California. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶6. In 2014, sales of KIKO-branded products in the United States were in excess of \$2,230,126.00. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶10. In 2014, approximately 260,188 units of KIKO-branded products were sold in the United States. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶10.

Opposer has also advertised its products extensively in the United States and internationally and has utilized its websites for advertising and promotions. Additionally, Opposer's social media presence has yields over 470,000 followers on its Instagram account (@kikocosmeticsofficial). Recent videos uploaded to Kiko's YouTube page (@KikoCosmetics) have over 9,700,000 views. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶

11. As a result of Opposer's advertising and sales of its KIKO-branded products, the KIKO Mark has earned a significant amount of goodwill throughout the cosmetic, skin care and fashion industries. Opposer's Notice of Reliance, Exhibit III, Affidavit of Percassi, ¶ 12. The aforementioned evidence of fame should therefore weigh heavily in favor of Opposer.

6. There are No Similar Marks in Use on Similar Goods

Actual use of similar marks on similar goods in the marketplace is a relevant consideration for the Board when determining the strength of the Opposer's rights asserted. "The purpose of a defendant introducing third party uses is to show that customers have become so conditioned by a plethora of such similar marks that customers 'have been educated to distinguish between different [such] marks on the bases of minute distinctions." Palm Bay Imports, Inc., 396 F.3d at 1374, 73 U.S.P.Q. at 1694 (citing 2 McCarthy on Trademarks and Unfair Competition § 11:88).

Applicant has introduced no evidence in its Notice of Reliance whatsoever of any actual use of similar marks on similar goods in the United States. Accordingly, absent any such evidence of third party use, the Board must find the KIKO Marks to be strong, and thus, this factor also weighs in favor of Opposer.

7. Actual Confusion is Difficult to Find and is Not Required

Opposer is only required to show a likelihood of confusion, not actual confusion.

Evidence of actual confusion is notoriously difficult to come by. See Time Warner Enter. Co.,

LP v. Jones, 65 U.S.P.Q.2d 1650, 2002 WL 1628168, at *10 (T.T.A.B. 2002).

This factor is at best neutral because Applicant has provided no evidence of actual use of its mark in the United States. Applicant has provided no proof of the amount spent on any advertising in the United States, nor has Applicant pointed to any sales of products bearing the KICHO and design mark in the United States. It is therefore unsurprising that neither Opposer

nor Applicant has made of record any instances of actual confusion between the KIKO and KICHO and design marks in the United States. As a result, the lack of evidence of actual confusion weighs, at best, neutral in favor of both parties.

8. Opposer Has a Right to Exclude Others from Using Its Mark

"Under familiar trademark principles, the right to exclusive use of a trademark derives from its appropriation and subsequent use in the marketplace. The user who first appropriates the mark obtains on enforceable right to exclude others from using it, as long as the initial appropriation and use are accompanied by an intention to continue exploiting the mark commercially." La Societe Anonyme des Parfums le Galion v. Jean Patou, Inc., 495 F.2d 1265, 1271, 181 U.S.P.Q. 545 (2d Cir. 1974) (citations omitted).

The evidence made of record shows that Opposer has registered several KIKO Marks in the United States and has been using its KIKO Mark on goods offered and sold in United States commerce. Opposer earned over \$2 million in sales in 2014 illustrating the extent of the use of its mark. Thus, it has earned the right to exclude others from using its mark. Moreover, as Opposer has actively policed its brand, filing four other oppositions in the Trademark Trial and Appeal Board since June of 2014, Opposer's dedication to maintaining the distinctive quality of its brand serves as further evidence of its right to exclude others from use of its KIKO Mark. Thus, this factor weighs heavily in favor of Opposer.

9. There is a High Potential for Confusion Between Opposer's and Applicant's Marks

Given the identical goods, nearly identical marks, similar channels of trade, and similarity of purchasers, there is a high potential for confusion in the United States between Opposer's and Applicant's marks.

VI. <u>CONCLUSION</u>

The Opposer has demonstrated priority and a likelihood of confusion under Section 2(d) of the Trademark Act, 15 U.S.C. § 1052(d) and that it would be damaged by the registration of Applicant's mark. Accordingly, the Opposition should be sustained, and Applicant's application for registration of KICHO and design should be refused.

Dated: April 8, 2016 Respectfully submitted,

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By: /s/ michael leonard

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing Brief for Opposer is being served upon the attorney for Applicant via email and by mailing a true copy thereof by first class mail, postage prepaid, addressed to:

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On April 8, 2016.

/s/ michael leonard

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